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MICHIGAN LABOR MARKET REVIEW

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JOB SERVICE
Michigan Employment Security Commission

SEASONAL INCREASE IN UNEMPLOYMENT

The Michigan unemployment rate jumped by 1.4 percentage points as the jobless rate increased from 7.2 percent in December to 8.6 percent in January. The rate growth represents 62,000 additional individuals out of work, as total local residents seeking employment rose to 389,000. The acceleration in joblessness was primarily a result of post-holiday declines in the manufacturing, automotive and retail trade industries. Total employment in January registered a drop as the number of employed area residents contracted by 114,000 to reach 4,123,000. Additionally, the civilian labor force fell to 4,512,000, a drop of 53,000. Compared with a year ago, employment in Michigan has shrunk by 35,000, while the size of the labor force has declined by 79,000. In January 1990, the total number of persons out of work amounted to 433,000, representing an unemployment rate of 9.4 percent.

SEASONAL LAYOFFS BRING JOBLESS RATE UP

Total nonagricultural wage and salary employment in Michigan dropped as industry jobs fell to 3,853,000 in January. Employment opportunities declined by approximately 120,000 as losses were centered in both the goods producing and service producing sectors of the economy. Total employment in the goods producing industries contracted by 49,000 primarily as a result of seasonal declines in the construction and transportation equipment industries. Service producing employment fell by 71,000 to 2,832,000 in January, as the retail trade and the services industries laid off most of seasonal the temporary help hired for the holidays. Public sector positions decreased by 16,000 as local schools released some of their non-teaching personnel for the holiday season. Since January 1990, industry employment in Michigan has increased by 10,000 positions or three-tenths of one percent. Approximately 18,000 goods producing jobs have been lost throughout the year, while service producing employment advanced by 28,000.

Civilian Labor Force, Employment, and Unemployment Estimates

State of Michigan

ITEM	JAN 1991	DEC 1990	NOV 1990	JAN 1990
PLACE OF RESIDENCE *				
Civilian Labor Force	4512	4565	4545	4591
Employment	4123	4237	4218	4158
Unemployment	389	327	326	433
Rate	8.6	7.2	7.2	9.4
PLACE OF WORK *				
Wage and Salary Employment	3853	3973	3899	3843
Goods Producing Industries	1021	1070	1044	1039
Construction	118	133	135	128
Manufacturing	893	927	901	902
Durable Goods	669	698	670	673
Lumber and Wood Products	14	15	15	15
Furniture and Fixtures	36	36	36	35
Stone, Clay and Glass	16	17	18	16
Primary Metals	40	41	41	41
Fabricated Metals	113	118	118	116
Industrial Machinery	124	124	119	128
Electrical Machinery	31	31	32	31
Transportation Equipment	269	291	265	266
Motor Vehicles and Equipment	254	276	247	249
Nondurable Goods	224	229	231	229
Food and Kindred Products	43	45	46	43
Textiles and Apparel	17	19	19	18
Paper and Allied Products	21	21	20	21
Printing and Publishing	44	45	46	44
Chemicals and Allied Products	45	45	45	44
Rubber and Misc. Plastics	48	50	49	52
Service Producing Industries	2832	2903	2855	2804
Trans., Comm. and Utilities	152	156	152	153
Wholesale Trade	195	198	198	197
Durable Goods	124	125	126	127
Nondurable Goods	71	73	73	70
Retail Trade	740	772	736	728
General Merchandise Stores	121	129	115	122
Food Stores	106	109	103	103
Auto. Dealers and Serv. Stns.	77	77	78	77
Apparel and Access. Stores	39	43	41	42
Eating and Drinking Places	252	262	254	243
Finance, Insurance and Real Estate	190	192	192	188
Services	927	942	920	912
Hotels and Lodging Places	34	35	31	34
Personal Services	41	41	39	41
Business Services	169	176	174	171
Health Services	308	308	297	301
Social Services	63	64	63	60
Government	627	643	657	626
Federal	59	60	61	60
State	169	172	177	167
Local	400	412	419	399
Labor Disputes	0	0	0	0

CIVILIAN LABOR FORCE data are based on the monthly Current Population Survey of the U.S. Bureau of Labor Statistics - 1989 Benchmark.
WAGE AND SALARY EMPLOYMENT is based on a monthly sample of employing establishments as part of the cooperative federal-state Current Employment Statistics program - March 1989 Benchmark.
Suppressed data included in: X=Totals, A=Other Durable Goods, B=Other Nondurable Goods.
Due to the suppression of data, the industry estimates do not sum to the total wage and salary estimate.
*** DATA IS IN THOUSANDS**

CLAIMS ACTIVITY

The number of individuals collecting regular unemployment benefits increased for the fifth consecutive month in January. The regular benefits claims load averaged 205,590 per week during the month, approximately 59,899 more than the December total.

The 41.1 percent increase was primarily due to production-related cutbacks in the automotive industry. In January 1990, the number of claimants drawing benefits under the regular benefit program averaged 184,880.

WEEKLY CLAIMS FOR UNEMPLOYMENT INSURANCE

Week Ending	Michigan			Detroit		
	Total	Initial	Continued	Total	Initial	Continued
January 05, 1991	216,800	37,400	179,400	77,000	14,500	62,500
January 12, 1991	244,000	43,500	200,500	101,300	21,000	80,300
January 19, 1991	261,800	57,000	204,800	115,300	29,800	85,500
January 26, 1991	221,800	30,900	190,900	91,100	15,100	76,000

DETROIT AREA COST OF LIVING MOVES DOWNWARD

Consumer prices in the Detroit metropolitan area decreased from 131.8 in November to 131.2 in December. The increase in Detroit area prices was primarily due to lower costs for housing and apparel and upkeep. Prices in the area climbed by 5.5 percent since December 1989, when the consumer price index stood at 124.4. At the national level, the cost of living in January 1991, advanced by 0.6 tenth of a percent to reach 134.6 during the month.

The higher national prices were also due to additional costs for food and beverages and medical care. Between January 1990 and January 1991, national consumer prices increased by 5.7 percent. One year ago, the national index registered 127.4. Note: Beginning in January 1987, the Consumer Price Indexes were shifted to a new reference base year. All indexes expressed on a 1967=100, were rebased to 1982-1984=100.

HOURS AND EARNINGS

The average workweek of Michigan workers in manufacturing industries decreased to 41.1 hours in January. The decrease occurred primarily as a result of fewer hours worked by individuals in the auto and auto-related industries.

During the month average hourly earnings dropped by seven cents to $14.18, while average weekly earnings decreased by $11.42 to total $582.80. In January 1990, earnings averaged $13.22 an hour or $535.41 per week for a 40.5 hour workweek.

MICHIGAN'S HOURS AND EARNINGS

Industry	Average Weekly Earnings a/			Average Weekly Hours a/			Average Hourly Earnings a/		
	Jan 1991	Dec 1990	Jan 1990	Jan 1991	Dec 1990	Jan 1990	Jan 1991	Dec 1990	Jan 1990
TOTAL MANUFACTURING	$582.80	$594.22	$535.41	41.1	41.7	40.5	$14.18	$14.25	$13.22
DURABLE GOODS	619.76	629.34	562.54	41.4	41.9	40.5	14.97	15.02	13.89
Primary Metal Products	621.97	607.35	599.20	41.0	41.8	42.8	15.17	14.53	14.00
Fabricated Metal Products	578.33	585.15	544.45	40.9	41.5	40.6	14.14	14.10	13.41
Industrial Machinery	614.16	618.87	580.77	43.9	44.3	43.7	13.99	13.97	13.29
Electrical Machinery	473.06	465.04	432.60	41.1	41.3	41.2	11.51	11.26	10.50
Motor Vehicles & Equip.	744.19	746.54	635.80	40.8	41.2	37.8	18.24	18.12	16.82
NONDURABLE GOODS	473.08	478.99	453.37	40.4	40.8	40.3	11.71	11.74	11.25
Construction	596.37	614.46	574.13	36.7	38.5	36.2	16.25	15.96	15.86
Department Stores	177.61	202.63	170.95	25.3	28.3	26.1	7.02	7.16	6.55

a/ Average weekly and hourly earnings are computed from aggregates of individual establishment reports utilizing the total amount paid to production workers and total production hours. Average weekly and hourly earnings differ from weekly and hourly rates in that they are affected by overtime wage rates, part-time earnings, the length of the workweek, etc.

Note: *Current month data are preliminary.*

CIVILIAN LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT ESTIMATES
JANUARY 1991 (Preliminary)

Area	Civilian Labor Force	Total Employment	Total Unemployment	Unemployment Rate
United States	123,585,000	114,990,000	8,595,000	7.0
Michigan	4,512,000	4,123,000	389,000	8.6
Major Labor Markets				
Ann Arbor MSA	165,400	156,500	8,900	5.4
Battle Creek MSA	63,800	59,000	4,800	7.5
Benton Harbor MSA	76,100	70,200	5,900	7.8
Detroit MSA	2,114,000	1,930,000	184,000	8.7
Flint MSA	183,700	164,100	19,600	10.7
Grand Rapids MSA	372,300	348,500	23,800	6.4
Jackson MSA	64,900	59,000	5,900	9.1
Kalamazoo MSA	118,400	112,500	5,900	5.0
Lansing MSA	238,400	221,800	16,700	7.0
Muskegon MSA	66,900	60,300	6,700	10.0
Saginaw-Bay-Midland MSA	184,200	170,400	13,800	7.5
Upper Peninsula LMA	137,500	123,500	14,100	10.2
Major Counties (18,000+)				
Allegan	59,450	55,875	3,575	6.0
Barry	23,875	22,000	1,875	7.9
Bay	53,050	48,850	4,200	7.9
Cass	22,525	20,250	2,275	10.1
Clinton	30,875	28,325	2,550	8.3
Eaton	52,900	49,225	3,675	7.0
Grand Traverse	35,550	32,625	2,925	8.2
Gratiot	19,950	17,950	1,975	9.9
Hillsdale	20,000	17,825	2,175	10.9
Ingham	154,650	144,225	10,450	6.7
Ionia	20,425	17,475	2,925	14.3
Isabella	30,625	28,950	1,650	5.4
Kent	271,450	253,975	17,450	6.4
Lapeer	34,250	29,900	4,375	12.7
Lenawee	43,800	39,075	4,750	10.8
Livingston	54,750	50,650	4,100	7.5
Macomb	367,650	337,125	30,550	8.3
Marquette	29,400	26,975	2,425	8.2
Midland	35,825	33,725	2,125	5.9
Monroe	65,900	57,400	8,500	12.9
Montcalm	24,950	21,700	3,250	13.0
Oakland	564,325	527,975	36,350	6.4
Ottawa	100,875	94,500	6,375	6.3
Saginaw	95,350	87,850	7,500	7.9
St. Clair	67,475	59,025	8,450	12.5
St. Joseph	26,400	23,225	3,175	12.1
Sanilac	19,675	16,900	2,775	14.1
Shiawassee	34,425	30,425	4,000	11.6
Tuscola	24,325	21,375	2,925	12.1
Van Buren	32,675	29,325	3,350	10.2
Wayne	959,950	867,850	92,075	9.6

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